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Former Public Workers Union Chief Reveals CIA Link

Times Wire Services

WASHINGTON — Arnold Zander, former president of the American Federation of State, County and Municipal Employees, revealed yesterday that for six years the Central Intelligence Agency subsidized the union's international activities.

Zander, who is now president of the United World Federalists, said the CIA subsidy began in 1958 at the rate of about \$7,500 a year. By 1964, said Zander, the agency was putting \$60,000 a year into the operation through one of its "dummy" conduits, the Gotham Foundation in New York.

ZANDER SAID he was unaware at the time that the money came from the CIA, that he had never inquired about the source of the funds, and that he still sees nothing improper in the arrangement. He said he

learned that Gotham was a CIA front only in the last few days as a result of newspaper stories.

The money, said Zander, was funneled into Public Services International (PSI) in London, the worldwide organization of unions representing members of the public bureaucracy at all levels of government.

PSI was engaged, said Zander, in an effort to organize public employees all over the world, especially in Africa and Latin America.

HIS SUCCESSOR in the American union, Jerry Wurf, disapproved of the subsidy and canceled it Zander said. Also

yesterday the president of the Young Democratic Clubs of America said he is going to try to find out whether CIA money subsidized foreign travel of some Young Democrats.

Virgil Musser in a telephone interview from his office in Massillon, Ohio, said he will raise the issue when the U.S.

Youth Council meets here late next week.

THE YDCA'S national committee wound up a meeting at Salt Lake City early last Sunday morning by passing a resolution that directed Musser to investigate any possible ties between CIA money and international functions of Young Democrats.